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DE RUEHTH #0743/01 1510918
ZNR UUUUU ZZH
O 300918Z MAY 08
FM AMEMBASSY ATHENS
TO RUEHC/SECSTATE WASHDC IMMEDIATE 1885
INFO RUEHVI/AMEMBASSY VIENNA 1031

UNCLAS ATHENS 000743

SENSITIVE SIPDIS

FOR EUR/SE AND S/WE FOR GERDA LANE

E.O. 12958: N/A

TAGS: PGOV PREL ECON SOCI GR

SUBJECT: Scenesetter for Ambassador Tahir-Kheli's visit, June 2-5

SENSITIVE BUT UNCLASSIFIED -- PROTECT ACCORDINGLY

FROM AMBASSADOR SPECKHARD TO AMBASSADOR TAHIR-KHELI

11. (SBU) Dear Ambassador Tahir-Kheli, we are looking forward to your visit. I wanted to offer you the following background information that you may find interesting in preparing for your trip. I look forward to the opportunity to meet and discuss some of these issues in more detail when you are here. The Embassy stands ready to assist to make your visit a productive and enjoyable one. We have prepared for you several meetings and roundtables with women actively involved in NGOs, women entrepreneurs, and female Members of Parliament.

INTRODUCTION

- 12. (SBU) Greece's center-right New Democracy government of Prime Minister Kostas Karamanlis seeks to maintain good relations with the U.S., though the U.S.-Greece partnership is complex and at times challenging. Greek-U.S. military-to-military cooperation is good, particularly at the U.S. Navy base at Souda Bay on Crete, and Greece is among the largest purchasers of U.S. military equipment. Greece's participation in NATO, however, is politically sensitive with weak public support for NATO operations. Some of the Embassy's priority goals in Greece include:
- -- Promoting stability in the Balkans in light of Kosovo's declaration of independence and Greece's veto of Macedonia's bid to join NATO until the name issue is resolved;
- -- Further cooperation in combating Greek domestic and international terrorist threats and in strengthening Greek borders against transiting terrorists;
- -- Increasing Greek-Turkish cooperation and stability in the Aegean and on Cyprus;
- -- Encouraging Greece to contribute to European energy security through diversification as Greece develops as an energy transit hub; and
- -- Expanding trade with the U.S.
- 13. (SBU) You can reinforce our message of support and cooperation in furthering women's empowerment, particularly in the Middle East. Although the USG faces a difficult political environment following the recent events in the Balkans and the NATO Summit, your presence highlights Secretary Rice's commitment to creating a forum for dialogue to address challenges faced by women throughout the world, especially in the Middle East.
- 14. (SBU) You can help advance our agenda in combating trafficking in persons (TIP) by highlighting the issue in your informal conversations and in reiterating our desire to work cooperatively to make more progress on the issue this coming year.

# TRAFFICKING IN PERSONS ISSUE

- 15. (SBU) During your visit, the annual Trafficking in Persons (TIP) Report is scheduled to be released publicly by Secretary Rice on June 4. Until then, we cannot confirm Greece's TIP ranking. Greece will be demoted from Tier Two to Ter Two Watch List because of a lack of evidene of increasing efforts to combat TIP and lackluster implementation of the TIP Action Plan. Greece has yet to ratify a 2004 child repatriation agreement negotiated with Albania, shelters remain underutilized and convicted traffickers are not serving imposed sentences. We also are concerned with inadequate protection of dentified and potential trafficking victims. You can expect that your Greek interlocutors ill raise their disappointment in Greece's TI ranking with you. Many Greeks are likely bu wrongly -- to see the TIP ranking demotion as "payback" for Greece's veto of Macedonia's NATO membership. In your conversations, it would be helpful if you emphasized the following:
- $\mbox{--}$  We know that Greece has a strong commitment to addressing women's issues.
- -- We wish to work in partnership with Greece to combat more actively trafficking in persons. We do not doubt Greece's political commitment in this area, but more needs to be done on the ground.
- -- We would particularly encourage the Prime Minister's appointment of a senior coordinator on TIP issues, who would have the political clout and authority to direct the various Greek agencies working on TIP issues.
- -- (If asked) Our TIP rankings are based solely on TIP-related criteria, and this was not/not a political decision. Attributing Greece's TIP ranking to the Macedonia name issue is not only incorrect; it also diverts attention from the real issues that need to be addressed.

# MACEDONIA NAME ISSUE

16. (SBU) Greeks consider the unmodified use of "Macedonia" an infringement on their heritage and warn that it could encourage irredentism towards Greece's northern province of the same name. have repeatedly urged both sides to engage in negotiations led by Matthew Nimetz under the auspices of the United Nations and have stated that the U.S. would accept whatever solution Athens and Skopje agreed upon through the negotiations. In the aftermath of Greece's vetoing the NATO invitation at the April 2008 NATO Summit in Bucharest, we continue to urge both countries to work for a mutually agreeable solution through the UN/Nimetz process. There has been little progress in this area, pending the completion of Macedonia's June national elections. The Administration is hopeful that an agreement could be reached by July 9th, when Croatia and Albania will sign the NATO Accession Protocol to officially launch accession talks. Greek counterparts, however, are skeptical this target can be met, given the time it will take to organize and empower a new government in Skopje. The government of Greece, however, is signaling its desire and intent to move swiftly in finding a solution after the elections.

## ENERGY ISSUES

17. (SBU) Greece has a new role as an energy pipeline corridor to Western Europe and can contribute positively to European energy security through rapid completion of the Turkey-Greece-Italy Interconnecter (TGI), which is the first pipeline to carry Caspian gas to Europe without going through Russia or through Russian-controlled pipelines. It is therefore an important step in realizing our Southern Corridor strategy of increasing European energy diversity and security. TGI will also help Greece: whereas currently 80 percent of Greece's natural gas supplies come from Gazprom, once TGI becomes fully operational by 2012, this dependence could be reduced to under 50 percent.

18. (SBU) Greek cooperation on energy with Russia has increased significantly over the past two years. On April 29, PM Karamanlis and outgoing Russian President Putin signed an agreement on cooperation on the South Stream gas pipeline. While some view this pipeline as a competitor to TGI, TGI is far more advanced in design and development and likely will not be impacted. Meanwhile, Greece, Bulgaria, and Russia have agreed to support the Burgas-Alexandroupolis Bosporus Oil Bypass Pipeline (BAP) and share ownership, which we support insofar as it is commercially feasible.

### VISA WAIVER PROGRAM

19. (SBU) Greece is the only one of the original fifteen EU member-states that do not participate in the U.S. Visa Waiver Program (VWP). Secretary Rice sent a letter to DHS Secretary Chertoff in August 2007 to officially nominate Greece for the program, after Greece introduced a new biometric passport that meets all ICAO standards. A DHS-led team of technical experts visited Greece in November and positively assessed its eligibility. Another team from the interagency Terrorist Screening Center just completed a successive negotiation with the Greeks on a terrorist database agreement, which is required for Greece's entry into the VWP. Other VWP negotiations remain ongoing (Greece asked for a short pause in February to consult within the EU but has since provided us with a counter-proposal for an MOU.) Greece's inclusion in the VWP would boost the U.S. image, and we are working hard to make this happen this year.

# GREECE-TURKEY-CYPRUS

110. (SBU) Against the sway of public opinion, Greece remains supportive of Turkey's EU accession hopes and understands that a Turkey in the EU is in Greece's long-term strategic interest. Greece and Turkey still differ on issues such as Aegean air-/sea-space demarcation. The recent cancellation of a Greek-initiated Aegean exercise, when NATO declined its support, aggravated relations, yet rapprochement remains the overall leitmotif of their bilateral relations. On Cyprus, the February 2008 election of Cyprus President Demetris Christofias is widely seen as a new opportunity for progress. His presidency has witnessed the opening of the historic Ledra Street crossing between the two sides and a renewed energy to implement the UN-brokered July 8th 2006 agreement designed to reach a mutually acceptable solution to the Cyprus problem, although many of the tough political issues remain to be addressed.

## KOSOVO

111. (SBU) Kosovo declared its independence on February 17, 2008, shortly after Serbia's January 2008 elections. Kosovo has been formally recognized by more than 40 United Nations Member States, including 19 individual EU member-states, though a number, including Greece, have not. Despite this, Greece maintains substantial military forces in NATO's Kosovo force and is providing personnel and support to the EU's "Rule of Law Mission" in Kosovo. The Administration has encouraged Greece to recognize Kosovo in the interest of supporting stability. We welcome Greece's ongoing efforts to urge Serbia to take a forward-looking approach to its future in the European and Euro Atlantic community.

#### **SPECKHARD**